GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:2184
ANSWERED ON:10.03.2016
Wage Revision under MGNREGS
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Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the notified wages under MGNREGS are lower than the wages of unskilled manual labourers under the Minimum Wages Act, if so, the details thereof, State/UT-wise;

(b) whether the Government proposes to bring in uniformity in the Minimum Wages and wages under MGNREGS due to inflation and price index;

(c) if so, the details thereof and if not,the reasons therefor;

(d) whether the Government proposes to revise the wage rate under MGNREGS, if so, the details thereof and the time by which it is likely to be implemented; and

(e) whether the Government has constituted a committee in this regard, if so, the details thereof and the time by which the said committee is likely to submit its report to the Government?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SHRI SUDARSHAN BHAGAT)

(a): States /UTs may fix different minimum rates of wages payable to employees employed in different categories of employment and these rates may be fixed for a part of the State or for any specified class or classes of such employment in the whole state or part thereof. Hence, there is no single wage rate fixed for unskilled manual labourers common to all categories of employment. In view of this, no comparison can be made with notified wage rates under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

(b)&(c): The wages of workers under the Mahatma Gandhi National Rural Employment Guarantee Act(MGNREGA) are already protected against inflation by indexation with the Consumer Price Index for Agricultural Labour(CPI-AL)and are accordingly revised every year with effect from 1st April. Section 6(1) and Section 28 of the MGNREGA Act, 2005, give the Central Government, the power to determine its wage rates independent of the Minimum Wages Act, 1948.

(d): The wage rates under MGNREGA are revised every year with effect from 1st April.

(e): A Committee was set up under the Chairmanship of Prof. Mahendra Dev to suggest a proper index for revising MGNREGA wage rates every year so as to protect the wages against inflation. The Report submitted by the Committee has been accepted by the Ministry of Rural Development and referred to Ministry of Finance.

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